Introduced by Senator Harman

February 23, 2012

An act relating to health care.

LEGISLATIVE COUNSEL'S DIGEST

SB 1320, as introduced, Harman. Direct primary care practices.

Existing law provides for the licensure and regulation of various healings arts practitioners. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans. Existing law also provides for the regulation of health insurers by the Department of Insurance.

This bill would state various findings with respect to the use of direct primary care practices in which a patient enters into a direct relationship with a physician and pays the physician a fixed amount for primary care services. The bill would state the intent of the Legislature to enact legislation that would define a direct primary care practice and specify that such a practice is not a health care service plan or a health insurer.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) The Legislature hereby finds and declares
- 2 that California needs a multipronged approach to make health care
- 3 services more readily available and affordable to the many residents
- 4 of the state who lack adequate access to those services. Direct
- 5 primary care practices, in which a patient enters into a direct
- 6 relationship with a physician and pays a fixed amount directly to
- 7 the physician for primary care services, represent an innovative,

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affordable option that could improve access to medical care, reduce the number of people who lack this access, reduce emergency room use for primary care purposes, and make emergency rooms more available to treat actual emergencies.

- (b) It is the intent of the Legislature to enact legislation that would do both of the following:
- (1) Define the term "direct primary care practice" in a manner that ensures patient safety and allows this innovative model to operate efficiently and unencumbered by unnecessary state government regulation.
- (2) Specify that a direct primary care practice is not a health care service plan subject to regulation under the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code) or a health insurer subject to regulation by the Insurance Commissioner under the Insurance Code.